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Recognizing Threat and Assuming Responsibility: Tobacco Control in Armenia

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BACKGROUND

According to the report of the National Statistical Service of RA (NSS) 67.5% of men and 3.1% of women are considered as smokers in Armenia¹. High rates of mortality and disability problems result from smoking. (According to reports of the Natural Remedy Centre 40-70% of the registered mortality cases in Armenia are due to tobacco use). At the same time smokers and surrounding people are equally exposed to tobacco. Statistics in this sphere is not encouraging: some USD 85 million is spent in Armenia annually on cigarettes and more than half of healthcare expenses is also spent on illnesses related to smoking.

Armenia is amongst the countries where the tobacco use and tobacco induced mortality and morbidity have reached enormous proportions.

Regrettably, tobacco-control or anti-smoking issues are not properly introduced in Armenia. There is not any attempt by any party to raise these problems to the level of discussions even within Primary Health Care system. There are some kinds of objective causes for such ignorance towards smoking in Armenia. The problem is, that the obstacles on the way of creation of completely new

¹ Survey on demographic and healthcare issues, NSS of RA, p. 234 (2000)

economic system caused drastic decline in economy, thus cutting down the employment and making the creation of additional workplaces a top priority for the policy making. Under the highlight of the recent positive changes in investment climate and economy at whole, the recovery of tobacco industry was perceived by the policy makers and the population as an important step towards economic stabilization and a possibility for a boost in employment. That is why the Tobacco Control policy has never been interpreted as is.

The overall objective of this paper is to highlight the urgency of tobacco control policymaking in Armenia and its priorities. As such it is developed for national policy-makers, health system administrators, health professionals, NGO's and media representatives.

1. TOBACCO CONTROL ON THE PUBLIC POLICY AGENDA

In 1999 the Government of Armenia has declared poverty reduction as a top priority for the coming years. A Poverty Reduction Strategy Paper (PRSP) was developed in addition to the two main public policy documents of Armenia: The Government Activity Program and Medium Term Expenditure Framework (MTEF) of Armenia.

The Government Activity Program

The Government activity Program approved by the National Assembly on June 20, 2003, amongst other activities, sets priorities of the Government policy in the Healthcare sector: the amplification of healthcare services accessibility with the main focus on the needs of society's poor layers. Further development of primary healthcare sphere is observed in the Program as a pledge for qualified and acceptable health services.

Along with a number of financial and institutional targets for the healthcare sector certain objectives are lacking in the Program which would embed the Government's position a propos healthy lifestyle promotion as well as prevention of further expansion of tobacco epidemic.

2004-2006 Medium Term Expenditure Framework of Armenia

The MTEF brings more details in targeting future indicators. Improvement of primary healthcare system is adopted in this paper as one of the program goals to be implemented by the Government in the healthcare sector. Nevertheless, here also, it is hard to find a single statement about the Government's intention to make efforts towards struggling against smoking. Consequently, targeting the articles of state budget expenditures of 2004-2006 do not assume allocated resources neither for public awareness increase on the harm of smoking, nor for promoting other initiatives regarding tobacco control.

The MTEF concurrently adopts the Government policy on tobacco taxation. Compliant with the document, the tobacco taxes – levied as fixed monetary amount per box - aren't premeditated to increase in coming years. The MTEF records the Government's achievement in the sphere of tobacco shadow turnover continuous decrease within the previous years and plans to increase the budget revenues from tobacco taxation on the account of administration improvement for the next years.

Fixed Payments on Tobacco Products

To facilitate the estimation of tobacco fixed payments revenues, the general market volume of tobacco products, i.e. the imports and domestic production of with- and without-filter cigarettes has been preliminary predicted. Here it is worth considering the trends particularly

formulated in 2002. Starting from March 2002, as a result of an increase in fixed payments rate for imported cigarettes (with-filter) by 10% the domestic with-filter cigarette consumption volume rise was observed which was accompanied with a slight decrease of import volumes.

In 2001, monthly average imports of cigarettes to Armenia made 16.8 thousand boxes, compared to 14.1 thousand boxes in 2002. These indicators for the domestically produced with-filter cigarettes compose 3.0 thousand boxes and 16.3 thousand boxes, respectively.

To compare, it's noteworthy to point out that the tobacco products general market volume of 2002 that made up on average 46.5 thousand boxes on monthly basis, compared to 57.4 thousand boxes in 1998. It means that in further developments of the market stability the assumption of 5% increase of 2004 appropriate volumes on account of tax administration improvement is close to reality.

Particularly, the application of excise stamps with high-level security elements and the destruction of cigarettes failing to be stamped can facilitate the announced quantity increase.

*2004-2006 Medium Term Expenditure Framework
Chapter 3. Revenue Policy and Forecast*

Poverty Reduction Strategy Paper

The PRSP was adopted on August 8, 2003. In its key dimensions the PRSP repeats the Government Program, it also possesses more complex framework and was approved after wide public discussion phase. Tobacco control related tasks are also lacking in the officially adopted PRSP in comparison with the draft paper preliminary set into circulation which comprised tangible requirements addressed to the Ministry of Public Health.

Draft PRSP

The official version of PRSP was developed as an outcome of public discussions of the DRAFT distributed on December 15, 2002. In contradiction to the official PRSP, the draft comprised issues on threat of smoking and necessity of fighting against this dangerous habit. The document emphasized that in the long-term perspective the healthy lifestyle implantation would have a special importance and, in particular, the implementation of a campaign against smoking within the framework of national program of actions. As for the program, it "should envisage sharp actions for the limitation and trade regulation of the tobacco advertisement", the document argued².

In parallel with the measures against smoking draft PRSP highlighted the necessity of implementing complex actions against alcohol abuse, drug addiction and intoxication (including the conduct of a special fiscal and price policy), increase the population awareness about healthy and safe nutrition.

The draft PRSP clearly charged the Ministry of Health to work with NGOs and mass media in order to promote healthy lifestyle, develop and carry out anti-smoking campaigns, disseminate on-time information on health issues within society.

Despite the draft PRSP did not provide with complete, organic and comprehensive tobacco control policy, yet it clearly stated:

- Anti-smoking campaign is a part of poverty reduction strategy.
- There is an urgent need for a tobacco control national program.
- Tax policy can be considered as a mean for tobacco control.

² See <http://www.gov.am/en/gov/iprsp/draft/6.9.html>

- It's necessary to ban tobacco advertisement.
- Ministry of Public Health should combine all the efforts of mass media and NGO representatives to launch an efficient anti-tobacco campaign.

Why these priorities of the state level struggle against smoking were not comprised in the final PRSP? Was this an outcome of tobacco lobbying, or other incentives also played a role?

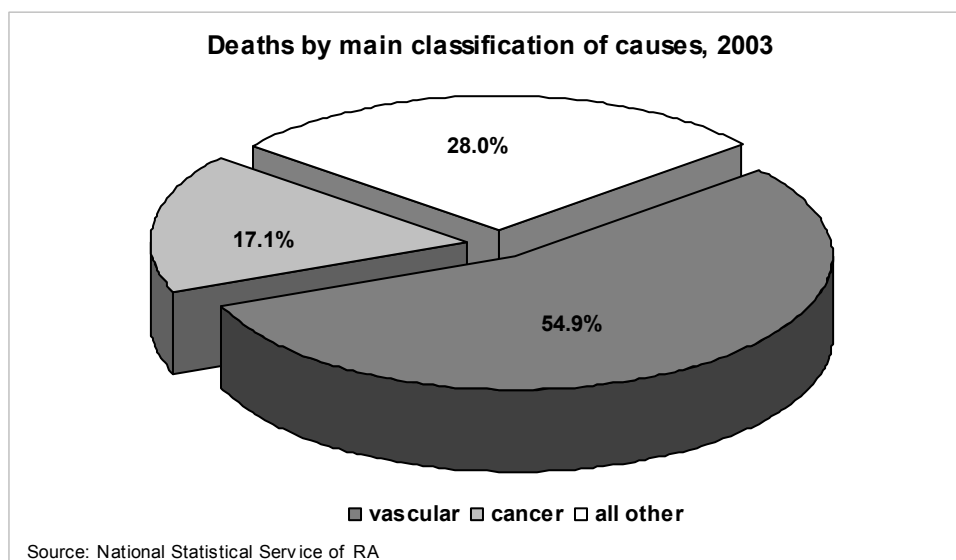
Mr. Hovhannes Azizyan³, PRSP working group secretary, during the interview clarified that in the result of draft proposal public discussions certain issue was raised - to shorten the paper by trimming the less important priorities. In the frames of additional discussions the aforementioned objectives, in fact, were observed as “less important priorities” and left out of the PRSP.

Hence, none of the three main political documents outlining public policy directions for the coming years in Armenia embraces the significance of tobacco control. Moreover, the tax policy stipulated in the abovementioned documents envisages no increase of tobacco taxes until 2007 while aiming at a continuous reduction of tobacco smuggling in Armenia.

2. THE NEED FOR CHANGE IN POLICY

Tobacco kills

International experience shows that 96-98% of patients suffering from lung cancer are smokers. Modern medicine has already proved that smoking is the most dangerous factor causing aforementioned disease. According to the official statistics the number of cancer cases has been continually growing in Armenia during the last 5 years. The number of heart diseases and cardiovascular cases has also demonstrated an upward trend. According to official statistics of Armenia, cancer and vascular caused deaths made 72⁴ percent of all death cases in 2003.



According to 2000 data, 33% of all death cases in Armenia were related to smoking⁵. Furthermore, respiratory disease caused deaths made 71,3%, heart diseases - about 30%, lung cancer - 92,3% and all cancer cases in general – 48%. These figures concern middle-age male part of the population (aged between 35 to 69). Life expectancy in this group of population (smokers)

³ Interview with Mr. H. Azizyan was held in September, 2003

⁴ Statistical Yearbook of Armenia (2002)

⁵ Peto, Lopez et al., 1992, 1994 (update 2003)

is shorter by 21 years. Consequently, the most productive and creative life period is reduced to a certain extent.

Risk factors (comprising smoking) causing diseases not peculiar to respiratory tract were surveyed in Gyumri (second large city of Armenia) and Yerevan during 1986-1992. About 4700 adults (20-65 years old) were examined in terms of correlation between the frequency of chronic bronchitis and other lung diseases and the duration of smoking as well as the number of smoked cigarettes per day. The frequency of such diseases is much higher among the smokers who used to smoke 15-20 cigarettes per day for 11-15 years. It has also been discovered that among the higher age groups an increase of chronic bronchitis cases is mainly caused by the amount of time (years) of smoking⁶.

According to the statistics provided by Arterial Hypotension Department of Cardiologic Institute of the Ministry of Public Health 35-40% of the population of Armenia suffers from high blood pressure. In this group the life expectancy is 54-57 while in developed countries it makes 74-77. This is mainly conditioned with the efficient anti-tobacco policy as well as healthy lifestyle promotion accomplished in the mentioned countries.

The researchers have also observed that the negative effect of smoking is comparable with the cumulative effect of all such factors as heredity, air pollution, respiratory infectious diseases, etc.

Poverty alleviation

There is also a proven interrelation in Armenia between the poverty and smoking. For about 1.2 million Armenian citizens who struggle to live on less than 12,019 drams⁷ (USD 21.7) a month, every dram matters. According to the results of 2001 Nationwide Household Survey, 9.3% of total expenditures were allocated for tobacco products, and this ranged from 6.7% for the households with highest income to 10.4% for those who are below the poverty line. Although this last fraction seems small in absolute value, for the given low income levels it has a very high opportunity cost. Tobacco expenditure can be shifted to acquire more useful products, which might add to the daily food ration of a person. Spending the money on consumer products, instead of cigarettes, could lead to about 220,000 people's potential getaway from poverty line in Armenia (compliant with the poverty calculation methodology based on food basket)⁸.

Beyond the visible link between poverty and the use of tobacco, there are also long term effects arising from the higher risks of illness that tobacco users face, and the particular vulnerability of poor families to illness. Results of the 1998/99 integrated household survey show that consumption of health services in 1999 by the 20% richest population was 3 times higher than that of the 20% poorest groups while in case of hospital services the divergence was even larger (3.2 times)⁹. Treatment costs create additional burden on poor families and they have to choose between seeking healthcare and food for the family.

⁶ Amatuni V., Narimanyan M. and others; "Chronic Bronchia Spread in Armenia". A report prepared for the International symposium devoted to the issues of respiratory diseases, Kiev (1991)

⁷ The amount of actual minimal food basket which was calculated on the bases of the food basket and the coefficient of expenditures on goods and services. Its value terms are identified as the poverty line. Source: Household survey of 2001 by National Statistical Service of RA

⁸ The calculation was based on the assumption if all the population quit smoking. Source: Amirjanyan P., Tobacco control measures in the context of high poverty- Economic aspects; Research paper, 2004
[/www.policy.hu/amirjanyan/](http://www.policy.hu/amirjanyan/)

⁹ Poverty Reduction Strategy Paper, August 8, 2003, Government of RA, Paragraph 7.2.1.1, Article 304

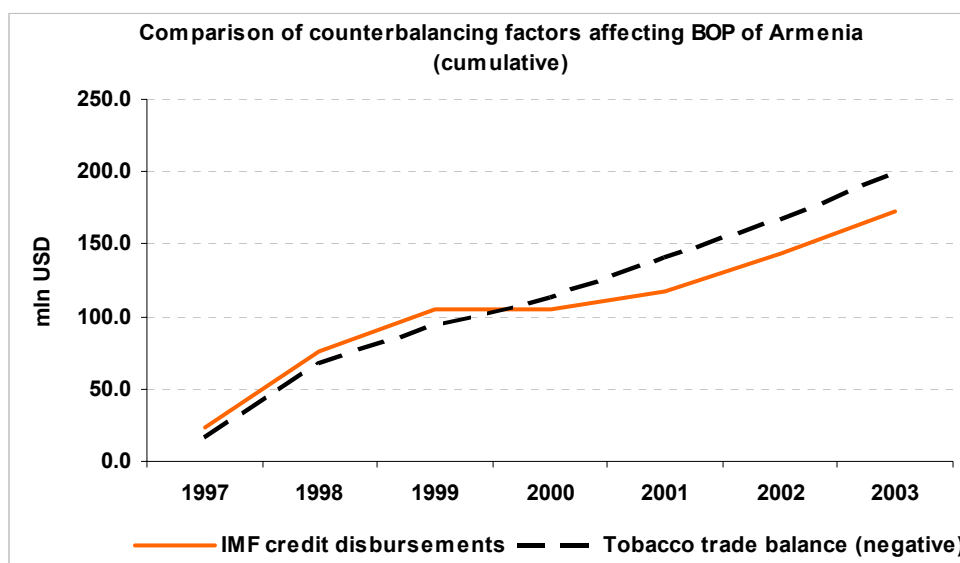
Tobacco trade realities

Despite growing tobacco industry, Armenia remains a “net importer” of cigarettes: annual quantities of exports cover only 10 percent of imports. As a result, according to the External Trade Statistics of Armenia, annual average of hard currency net outflow from Armenia by “Tobacco and manufactured tobacco substitutes” subgroup constituted USD 28.36 million during 1997-2003. This is a significant burden for the foreign exchange market of a country like Armenia that continually experiences foreign trade deficits. For comparison, during the same period Armenia received from the International Monetary Fund on average USD 24.6 million in credits annually to tackle its balance of payments’ problems.

	million of USD						
	1997	1998	1999	2000	2001	2002	2003
IMF credit disbursements	23.50	52.12	29.57	0	12.56	26.34	28.27
Tobacco trade balance	(16.4)	(51.1)	(26.9)	(18.8)	(27.1)	(26.5)	(31.8)

Source: Central Bank of Armenia, National Statistical Service of RA

Growing external debt stock that heightens Armenia's dependence on foreign savings has become an issue of extensive public discussions for years. IMF loans are considered to be the part of that stock aimed at BOP adjustment. Armenia received abovementioned loans with considerable difficulties – in consequence of long-lasting negotiations and tough conditionality. In a reality it comes out that the financial resources borrowed as a result of huge efforts is comparable to the gap occurred due to the negative balance of external trade of tobacco - a product which is probably the only consumer good in the world that kills when used as intended



In unison with progressive world

World Health Organization made tobacco control as a priority and stated global rules¹⁰ and regulations for the promotion, production and sale of a product that kills half of its regular users. The verdict from the medical community is clear enough. Each of the deaths worldwide, caused

¹⁰ In May 2003 the 192 members of the World Health Organization adopted the Framework Convention on Tobacco Control (FCTC) aimed at curbing tobacco-related deaths and disease. The Convention requires countries to impose restrictions on tobacco advertising, sponsorship and promotion, establish new labeling and clean indoor air controls and strengthen legislation to clamp down on tobacco smuggling.

by tobacco consumption, was preventable. Nowadays the vision of tobacco-free world is constantly becoming dominant.

Thus, a country that declared its way of joining to democratic world can not stand apart from global efforts aimed at making human life better and safe.

3. POLICY OPTIONS

Tobacco deaths could be prevented through tax increases, advertising bans and clean indoor air regulations. Government can also work with NGOs and media on the issues related to health education. Experience has shown that countries with successful tobacco control policies employ a mix of these approaches.

Tobacco taxation

Tobacco taxation is regulated in Armenia by the Law on “Fixed Payments for Tobacco Products” which was adopted by the Parliament in 2000¹¹. The Law simplified the procedure of tax collection by unifying VAT, excise tax and customs payments into one fixed payment. The size of the fixed payments is different for locally produced and imported products, thus granting several advantages to the local producers.

The rates of tobacco fixed payments
(According to the Amendment to the Law on tobacco taxation adopted in December, 2001¹²)

Product Type	Units	Local	Imported
Cigars	USD per 1000 items	2200	3000
Cigarillos	USD per 1000 items	22	30
Cigarettes with filter	USD per 1000 items	8	11
Cigarettes without filter	USD per 1000 items	3.5	6

The high prevalence of smoking and high demand for cigarettes in Armenian market has made the sector subject for accented attention of state tax legislation. Tax revenues from tobacco trade reached about 9.5% of overall tax revenues in 2002 from 4% in 1998 – large portion enough to be considered as a significant source of budget revenues.

Taxes constitute a serious portion of the cigarette price. The weighted average price of a cigarette pack is about AMD 380, which is about 0.6 US dollars. An overall tax payment per an average pack of cigarettes is in average equal to 25 per cent. The same calculation for the most favorite brand – “Red and White” (Phillip Morris) indicates that in this case the share of taxes in the price is nearly 52%, while the cigarette market price is about 42 cents. The local “favorite”, which costs about 20 cents, includes in its price 7 cents (or 35%) of tax payments¹³.

¹¹ Prior to adoption of this Law cigarette production was treated equally with other products in terms of taxation rates and procedures.

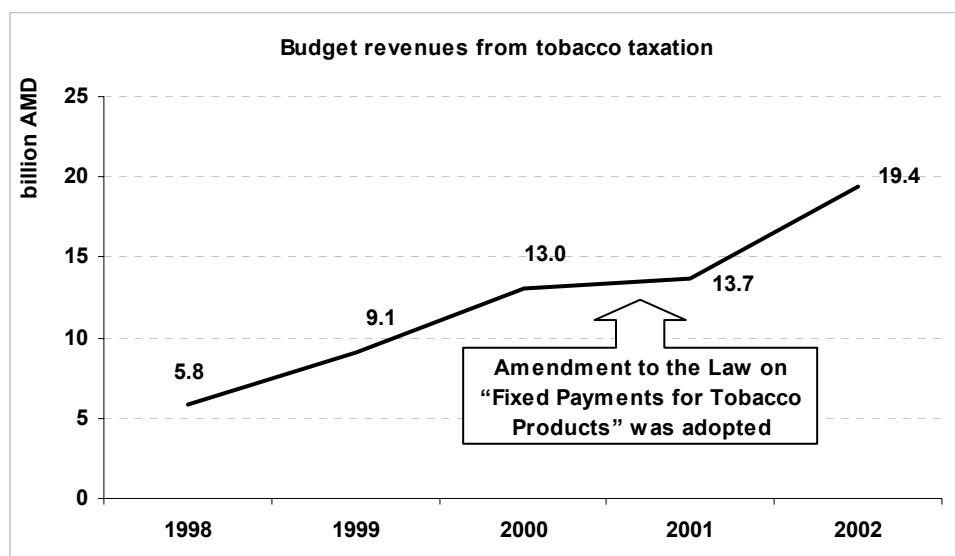
¹² Before adopting the amendment to the Law the rates for cigarettes with filters and without filters were USD 8 / USD 10 (local/ imported) and USD 2.2 / USD 3 respectively.

¹³ Calculations are based on 2001 market prices

International experience proves that raising tobacco taxes is one of the most effective and cost-effective measure to reduce tobacco consumption and smoking prevalence. The vast majority of the studies report a strong inverse relationship between changes in price and changes in consumption. Tobacco tax increases are an effective measure to protect children and young people from consuming cigarettes. Several studies have concluded that lower socio-economic groups are more sensitive to price increases than the highest, particularly in countries with lower income level (like Armenia).

Amirjanyan (2003) concludes that as a possible result of increase of tobacco taxes by 28.5%¹⁴ in Armenia 67,000 people will overcome the poverty line and 16,000 people will not be treated as very poor. As another possible impact of such an increase will be the reduction of tobacco import by 5% thus adjusting negative external trade balance of the country by about USD 1.5 million annually.

Tax increases, even though they lead to significant reduction in consumption, will at the same time lead to significant increases in tax revenues. This has already been practiced in Armenia. Amendment to the Law on “Fixed Payments for Tobacco Products” was adopted in December 2001, which defined tax increase for all categories of imported cigarettes and as well as for locally produced without filter cigarettes. Figure 3 shows that after raising tobacco taxes an increase in the State Budget revenues from tobacco taxation was recorded.



Research has shown that some cigarette consumers react to price increases by shifting consumption to cheaper tobacco products¹⁵. To achieve a reduction in the overall tobacco consumption, taxes would have to be raised at the same time and in a comparable amount for all tobacco products¹⁶. More or less equivalent prices for all tobacco products would reduce the problem of shifting from one product to another.

The abovementioned comes to prove that the Government has a serious role in determining prices for cigarettes, which, is conditioned not only by the need to collect appropriate budget revenues, but also by the tobacco control principles. Tobacco prices are incredibly low in Armenia causing

¹⁴ Calculations show that this ratio of tax increase would result in 10% of average tobacco price increase.

¹⁵ Chapman, S. & Richardson, J. Tobacco excise and declining consumption. American Journal of Public Health, 80: 537–40 (1990).

¹⁶ Sunley, E. ET AL. The design, administration and potential revenue of tobacco excises. In: Jha, P. & Chaloupka, F. Tobacco control in developing countries. Oxford University Press, New York, 409–426 (2000).

further expansion of tobacco epidemic. A possible effect of a tax increase may be the saving of hundreds of human lives and overcoming poverty for thousands of people.

Tobacco advertisement

Current legislation sets several restrictions on smoking. The tobacco products' advertising is partly restricted. The Law on Advertising sets several prohibitions to restrict children's and youth's access to tobacco advertising, such as tobacco advertising by TV, radio and printed media for youth; advertisement of tobacco products that present such products to have curing, stimulating or relaxing features; tobacco advertising without a warning statement about the harm of smoking; demonstrating the process of use of tobacco during its advertising; advertising through electronic mass media, etc. However, there are several cases of the violations of law requirements by some TV companies in Armenia.

BOX 2.

Articles concerning restrictions in tobacco advertising of the Law on Advertising of the RA

Article 14. Defense of the Under-aged during Advertisement Production, Placing and Spreading

2. Advertising of alcoholic drinks and tobacco is forbidden: by radio and TV programs for children and youth, in printed publications concerning the under-aged, as well as in children's, educational, medical, cultural, sport organizations and institutions and their areas in historical and cultural landmarks, in recreation and leisure centers designed for person under the age of 18, in the territories where food is offered to public.

Article 15. Peculiarities of Advertising for Certain Kinds of Goods

1. In advertisements of alcoholic drinks and tobacco it is forbidden:

- a) to suggest that alcoholic drinks and tobacco have curing, stimulating, relaxing features;*
- b) to induce the consumers to widely use alcohol and tobacco, negatively assess their non-use or moderate use;*
- c) to present as a positive feature the high content of alcohol in drinks and of nicotine in tobacco;*
- d) to suggest that smoking or use of alcoholic beverages is essential for obtaining good-looking appearance, achieving of social success or gaining an attraction;*
- e) to shoot and picture people under the age of 25.*

2. Tobacco advertising not including warning statement about harmfulness of smoking is forbidden.

3. In alcoholic drinks and tobacco advertising it is forbidden to address directly to the under-aged.

4. It is forbidden to demonstrate the process of use of alcoholic drinks and tobacco during their advertising.

5. Advertising of strong (20% and more spirit's volume percentage) alcoholic drinks (excluding cognac) and tobacco through electronic mass media is forbidden.

6. Tobacco and alcoholic beverage advertising is forbidden on the first and the last pages of newspapers, or on the first, last pages and covers of magazines.

7. The Health Warning inscription shall occupy not less than 10% of the tobacco advertising appearing in printed mass media, on outdoor advertising posters, placards, announcements, billboards, illuminated signs on other technical means and transport.

A number of countries have partial limitations on tobacco advertising. Studies have found that partial bans have no essential effect on sales or simply result in substitution to other media or promotional methods. Tobacco companies and advertising agencies have shown great creativity in

partial ban situations. For example, according to the newly adopted Amendments to the Law on Advertisement of RA, direct advertising of cigarettes was banned on all private and public TV stations of Armenia. Instead, tobacco producers have developed a new, maybe more effective approach: now they are arranging to broadcast economic oriented TV programs about their companies picturing the increasing number of workers employed by the industry, export-oriented production growth, etc., that “secretly” promote their brands and, consequently, cigarettes.

A number of countries have passed comprehensive advertising bans which include bans on the use of the names, logos, and trademarks of tobacco products in any media under any circumstances, including advertising for any product or event. These names may be used as part of the product packaging. Games, prizes, and free distribution are also prohibited. In addition, comprehensive bans are most likely to be legislated along with a series of other restrictions on tobacco, such as limitations on places where smoking is allowed, health promotion sponsorship foundations, health education programs, and counter-advertising.

The study of growth in cigarette consumption for 102 countries shows that per capita cigarette consumption for countries without comprehensive bans has decreased by about 1%, while consumption for countries with comprehensive bans has decreased by about 8 %¹⁷. It means that comprehensive ban for Armenia can save hundreds of human lives annually.

A draft Law is now being prepared in Armenia to strengthen the control over tobacco use. It has several strict prohibitions over tobacco advertisement and its use in public buildings and places. However, it does not envisage total banning of tobacco advertisement.

Raising public awareness

The danger of smoking is not a popular theme in Armenian society. One can smoke in any place or almost in any place here in Armenia. Indeed, the establishment of many representations of international organizations as well as an inflow of international experts into Armenia in the last 8-10 years brought about changes in the general working standards. “American offices” - a term used by the general public- are smoking-free areas. And this phenomena is step by step spread to local offices as well. But still the share of non-smoking workplaces is rather small.

In such circumstances an important role has to be given to organizing large-scale discussions within the society about the harmful nature of tobacco aimed at raising public awareness. Initially the problem needs to be discussed. The difference between unspoken problem and non-existent problem is not seen in the eyes of the people. The problem exists and it should become a topic of discussion within the public. And this is an imperative.

Government should also mobilize all the resources to focus society's attention on the hazardous consequences of smoking; make this topic a subject of discussion; pose questions rarely raised in the local press; and especially explain why smoking is so dangerous. It is also essential to highlight the threat of passive smoking resulting from all kinds of cigarettes, including those wrongly perceived by the public as "light" ones.

Today the legislations of a growing number of countries require tobacco industry to print health warnings on their products. Strong warnings with rotating messages can have substantial effect on consumption. Researches show that health warnings caused the fall of consumption up to 8 percent in different countries moreover having a long-term effect. Warning labels should occupy minimum 30 percent of each of the two largest sides on the cigarette pack. Consequently, with the hereby rotation messages - “Smoking kills”, “Cigarettes cause cancer”, “Smoking during

¹⁷ Jha P. & Chaloupka F., Tobacco control in developing countries, World Bank, p.229 (2000)

pregnancy can harm your baby”, “Tobacco use can make you impotent”, etc - adopted by the Law Armenia can achieve to a decrease of tobacco consumption annually by up to 8 percent thus saving huge number of human lives from the threat of smoking.

There is also another aspect of this issue. The raise of public awareness could tend to coincide with culture change. Currently the personality of “a smoking man” is considered to be so classical and acceptable that it becomes quite complicated to even argue with the naturalness of that public perception. The picture of frequently smoking father and uncle is an every-day-scene in most of the Armenian families, and the cigarette smoke is subconsciously accepted as a part of their character. This is already rooted perception, a separate culture; hence the changes should also be cultural ones.

Informing the public about this pressing issue and providing it with relevant detailed information about the negative consequences of smoking will be essential for reducing the number of smokers in Armenia. It will help to start forming a new non-smoking culture in Armenian society that would bode well for a cigarette smoke-free environment. Inasmuch as the perception at the society level of the issue being hazardous is absent and each member of the society does not realize the devastating influence of the cigarette smoke on ones health, any means of struggle and every law adopted are considered to be doomed.

Implementation of the efficient tobacco control needs to develop a comprehensive, large-scale and long-term strategy taking into account the need to form public attitude against the smoking. In order to put anti-smoking campaign on an institutional basis it is necessary to ensure larger involvement of the NGOs and media in the process.

4. CONCLUSIONS

A well designed and balanced tobacco control policy doesn't yet exist in Armenia. None of the main political documents outlining public policy directions for the coming years in Armenia embraces the significance of tobacco control.

The need for change in policy is reasoned by the following facts:

1. Tobacco kills more that 3,000 citizens of Armenia yearly which is for example about 3 times more that deaths caused by accidents, poisonings and injuries.
2. Spending the money on consumer products, instead of cigarettes, could lead to about 220,000 people's potential getaway from poverty line in Armenia.
3. Negative balance of external tobacco trade creates around USD 30 million annual 'burden' for the foreign exchange market, which is comparable to the volume of IMF loans received by Armenia to tackle BOP problems.
4. As a country that declared its way of joining the democratic world Armenia can not stand apart from global efforts aimed at making human life better and safe.

This list can be continued.

Tobacco deaths could be prevented through tax increases, advertising bans, health education, etc. These measures need to be effectively implemented in Armenia.

- Tobacco prices are incredibly low in Armenia causing further expansion of tobacco epidemic. A possible effect of a tax increase by 28.5% may be the reduction of tobacco consumption by about 7%, thus saving of hundreds of human lives, overcoming poverty

for thousands of people, adjusting negative external trade balance of the country and generating annually about USD 8.5 million extra revenues for the state budget.

- A comprehensive ban of tobacco advertisement can annually prevent hundreds of deaths in Armenia.
- Armenia should develop a proper legislation that requires tobacco industry to print strong health warnings with rotating messages on their products. This can achieve to a considerable decrease of tobacco consumption thus saving huge number of human lives from the threat of smoking.

Substantial

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